

Counterpart - Kim Bortman

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N W
SUITE 200
WASHINGTON, D C

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20006-2973
(202) 393-2266
FAX (202) 393-2156

OF COUNSEL
URBAN A. LESTER

September 18, 1996

Mr Vernon A Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr Williams

Enclosed for recordation pursuant to the provisions of 49 U S C Section 11301(a), are three (3) copies each of a Memorandum of Lease (with Schedule 01 attached), dated as of March 18, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents and a Memorandum of Lease (with Schedule 02 attached), a secondary document related thereto

The names and addresses of the parties to the enclosed documents are:

Lessor Fleet Capital Corporation
59 Kennedy Plaza, 5th Floor
Providence, Rhode Island 02903

Lessees Otter Tail Power Company
215 S Cascade Street
Fergus Falls, Minnesota 56538

Northwestern Public Service Company
33 Third Street, S E
Huron, South Dakota 57350

MDU Resources Group, Inc
400 North 4th Street
Bismarck, North Dakota 58501

22267
RECORDATION NO. FILED 1125

SEP 18 1996 11 15 AM

22267-A

SEP 18 1996 11 15 AM

SEP 18 11 20 AM '96
RECEIVED
SURFACE TRANSPORTATION
BOARD

Mr Vernon A Williams
September 17, 1996
Page 2

A description of the railroad equipment covered by the enclosed document is

Schedule 01	125 gondolas cars	BSPX 1501- 1623 BSPX 1747 - 1748
Schedule 02	125 gondolas cars	BSPX 1624 - 1746 BSPX 1749 - 1750

Also enclosed is a check in the amount of \$44 00 payable to the order of the Surface Transportation Board covering the required recordation fee

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,



Robert W Alvord

RWA/bg
Enclosures

**SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001**

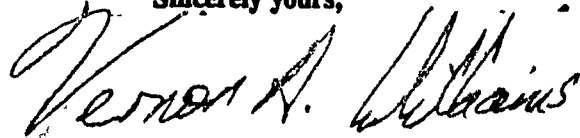
9/18/96

Robert W. Alvord
Alvord And Alvord
918 Sixteenth Street, NW, Ste. 200
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/18/96 at 11:15AM , and assigned recordation number(s). 20267 and 20267-A.

Sincerely yours,

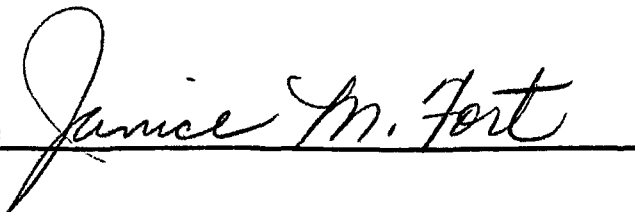


Vernon A. Williams
Secretary

Enclosure(s)

\$ 44.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



SEP 18 1996 - 11 AM

01

MEMORANDUM OF LEASE

Filed and Recorded

on _____
 at _____
 and given Recordation No. _____

MEMORANDUM OF MASTER EQUIPMENT LEASE AGREEMENT dated as of March 18, 1996 by and between Fleet Capital Corporation, a Rhode Island corporation ("Lessor") and Otter Tail Power Company, Northwestern Public Service Company and MDU Resources Group, Inc. ("Lessee"), as such agreement relates to Lease Schedule No. 32085-01 thereof (together, the "Lease").

WITNESSETH:

1. Pursuant to the Lease, Lessor has agreed to lease to Lessee, and the Lessee has agreed to lease from the Lessor, 125 new Thrall Car Manufacturing Company 121 Ton 4530 C/F Aluminum Gondola Cars bearing the Reporting Marks/Running Numbers and Serial Numbers set forth on Schedule A attached hereto.

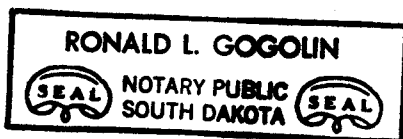
2. The Lease shall be effective as of the date set forth below and shall be subject to the Lease Term, as defined in the Lease.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Memorandum of Master Equipment Lease Agreement to be signed and sealed by their respective duly authorized signatories as of the date set forth below.

Dated as of: March 18, 1996

Lessor:
FLEET CAPITAL CORPORATION

By: [Signature]
 Name: Lisa D. Wardle
 Title: Assistant Vice President



Lessee:
OTTER TAIL POWER COMPANY
a Minnesota corporation

By: [Signature]
 Name: Ward Uggerud
 Title: VP, Operations

SWORN AND SUSCRIBED TO before me on this
30 day of July, 1996.

[Signature]
 Notary Public
 My Commission expires on 1/31/2000

NORTHWESTERN PUBLIC SERVICE COMPANY
a Delaware corporation

By: [Signature]
 Name: ARTHUR R. DONNELL
 Title: VP ENERGY OPERATIONS

SWORN AND SUSCRIBED TO before me on this
6th day of SEPT, 1996.

[Signature]
 Notary Public
 My Commission expires on July 30, 1996 2004

MDU RESOURCES GROUP, INC. acting by and through its division MONTANA DAKOTA UTILITIES CO.
a Delaware corporation

By: [Signature]
 Name: Bruce Imsdahl
 Title: Vice President - Energy Supply

SWORN AND SUSCRIBED TO before me on this
4th day of September, 1996.

[Signature]
 Notary Public
 My Commission expires on 2-5-98

Capital Leasing

SCHEDULE A EQUIPMENT

Attached to and made part of the following Memorandum of Lease

with Otter Tail Power Company
Northwestern Public Service Company
MDU Resources Group, Inc


<u>QTY</u>	<u>DESCRIPTION</u>	<u>MODEL NO</u>	<u>SERIAL NO</u>
The depreciable life of the property is 7 years			

Loc # (01)

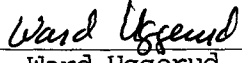
Vendor THRALL CAR MANUFACTURING COMPANY
Invoice No 36667

125	121 Ton 4530 C/F Aluminum Gondola Cars	Max-Gon	BSPX 1501 - 1623 BSPX 1747 - 1748
with all standard and accessory equipment			

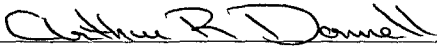
FLEET CAPITAL CORPORATION

By 
Name Lisa D. Wardle
Title Assistant Vice President

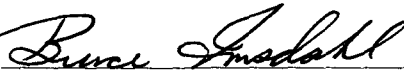
OTTER TAIL POWER COMPANY

By 
Name Ward Uggerud
Title VP, Operations

NORTHWESTERN PUBLIC SERVICE COMPANY

By 
Name Arthur R. Donnell
Title VP, Energy Operations

MDU RESOURCES GROUP, INC acting by and
through its division MONTANA DAKOTA
UTILITIES CO

By 
Name Bruce Imsdahl
Title Vice President-Energy Supply

Lessor's Notary Page

STATE OF: Rhode Island

COUNTY OF: Providence

SS.

On September 16, 1996 before me, Debra Lucchesi, Notary
(Notary Name and Title)

personally appeared Lisa D. Wardle personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to within the instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: Debra Lucchesi

(Notarial Seal)